

PROFFERED DEVELOPMENT CONDITION

PCA 82-C-060-02

March 26, 2007

If it is the intent of the Board of Supervisors to approve PCA 82-C-060-02, the staff recommends that the Board condition the approval by requiring conformance with the following development condition. This condition supersedes all previous development conditions associated with the subject property:

1. The Letter of Intent entitled, "Purchase of ParcReston Condominium Units," dated March 26, 2007, shall be implemented in accordance with the terms and conditions of such Letter of Intent, hereby attached.

March 26, 2007

VIA EMAIL and Facsimile

Athena/Renaissance Reston, LLC
Attn: Louis M. Dubin
c/o 712 Fifth Avenue
8th Floor
New York, New York, 10019

Re: Purchase of ParcReston Condominium Units:
1717C Ascot Way (Tax Parcel 0172 40130009);
1709E Ascot Way (Tax Parcel 0172 40110017);
1709D Ascot Way (Tax Parcel 0172 40110016);
1703I Ascot Way (Tax Parcel 0172 40090013);
1710C Abercromby Court (Tax Parcel 0172 40120007);
1705A Ascot Way (Tax Parcel 0172 40110001);
1712C Abercromby Court (Tax Parcel 0172 40120019);
1727B Ascot Way (Tax Parcel 0172 40140018);
1799B Jonathan Way (Tax Parcel 0172 40010004);
1712A Abercromby Court (Tax Parcel 0172 40120017);
11715A Olde English Drive (Tax Parcel 0172 40010007);
1732I Ascot Way (Tax Parcel 0172 40150013); and
1732L Ascot Way (Tax Parcel 017240150016).

Dear Mr. Dubin:

The Fairfax County Redevelopment and Housing Authority ("**Buyer**") is interested in acquiring the above-referenced properties (collectively, the "**Property**") from Athena/Renaissance Reston, LLC ("**Seller**"). Subject to approval of financing by the Board of Supervisors of Fairfax County, Virginia, Buyer will be acquiring the Property with the intent of using the same as part of housing programs the Buyer currently provides. Buyer desires to acquire the Property or a portion thereof on or before April 30, 2007. Seller is willing to sell the Property to Buyer, but only after certain conditions precedent to such sale occur, including, but not limited to, Seller receiving certain additional zoning approvals from the Board of Supervisors of Fairfax County, Virginia, for property owned by Seller and related to the Property that is the subject of this letter of intent ("**LOI**").

The purpose of this LOI is to outline the terms and conditions upon which Buyer shall enter into a Purchase and Sale Agreement ("**Purchase Agreement**") with Seller in which Buyer shall purchase and Seller shall sell the Property, as defined in Paragraph 2 below. The proposed terms are as follows:

1. **Property.** The real property consisting of thirteen (13) condominium units in the ParcReston condominium community located in Reston, Virginia, and as more particularly described herein.

2. **Purchase Price.** Two Million, Eight-Hundred-Thirty Thousand and No/100ths Dollars (\$2,830,000.00) payable at the First Closing (as defined herein) and as more specifically allocated herein.

3. **Form of Purchase Agreement.** The Purchase Agreement shall be in the form agreed upon and used by Buyer and Seller in connection with Buyer's prior purchase of ten (10) units in the ParcReston condominium community from Seller, adjusted as necessary to reflect the terms of the purchase of the Property described in this LOI and as may otherwise mutually agreed by Buyer and Seller.

4. **Closing Dates.** Closing on the Property shall occur in two (2) phases. The first closing shall, as qualified herein, occur on or before Monday, April 30, 2007, on eight (8) of the thirteen (13) condominium units that comprise the Property for the aggregate purchase amount for such eight units of \$2,470,000.00 ("**First Closing**"), such units to be determined by the Buyer. At the First Closing, additional funds in the amount of \$360,000.00 shall be deposited by Buyer into an escrow with Escrow One, Ltd., settlement agent for the purchases described herein, to be held in escrow and released to Seller at the Second Closing, as such term is defined below, in full payment for the conveyance of the remaining five (5) units to be conveyed to Buyer. The second closing for the remaining five (5) units that comprise the Property shall occur on or before the date that is forty-five (45) days following the approval by the Board of Supervisors of Fairfax County, Virginia, of a PRC Plan pursuant to Article 16-203 *et seq.* of the Fairfax County Zoning Ordinance (the "**PRC Plan**") for Seller's development of its land pursuant to the Zoning Approvals (as defined herein) ("**Second Closing**").

5. **General Conditions to First Closing.**

- Zoning Approval – Approval by the Fairfax County Board of Supervisors of Development Plan Amendment/Proffered Condition Amendment 82-C-060-2, subject to proffers dated March 21, 2007 (the "**Zoning Approvals**").
- Purchase Agreement – Execution by the parties of the Purchase Agreement. Parties to negotiate definitive Purchase Agreement within ten (10) business days of full execution date of this LOI.
- Expiration of Appeals Period – Expiration of the applicable appeals period for the Zoning Approvals and confirmation to Seller's satisfaction that no such appeals were filed.
- Approval of Financing – Approval by the Board of Supervisors of Buyer's financing of the Property.

- Other conditions as are customary for transaction of this type.

6. **General Conditions to Second Closing.**

- Completion of the First Closing, including satisfaction of all General Conditions to the First Closing.
- Approval by the Board of Supervisors of Fairfax County, Virginia, of a PRC Plan prepared and submitted by Seller (the "**PRC Approval**"). The contents of such PRC Plan shall be determined by Seller in its sole discretion and in furtherance of the Zoning Approvals described herein.
- Expiration of Appeals Period – Expiration of the applicable appeals period for the PRC Approval and confirmation to Seller's satisfaction that no such appeals were filed.
- Other conditions as are customary for transaction of this type

7. **"AS IS, WHERE IS".** Buyer acknowledges and agrees to acquire the Property "As Is, Where Is" with no representations or warranties from Seller.

8. **Closing Costs.** Fees for the preparation of the deed, costs of releasing existing encumbrances, and any other charges assessed to Seller by the settlement agent shall be paid by Seller. Buyer shall pay all other settlement fees. Real estate taxes and operating expenses shall be pro-rated as of each Closing Date.

Please return to my attention your acceptance of the above terms and conditions by 4:00 p.m. Monday, March 26, 2007. This LOI will become null and void without further act or deed unless executed by Buyer and Seller by such date and time. This LOI may be executed in counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be deemed an original, shall be construed together, and shall constitute one document.

This LOI does not constitute an agreement of sale, and either party may terminate this LOI upon written notice to the other in the event that the parties fail to enter into a Purchase Agreement within ten (10) days after mutual execution of this LOI. Neither party shall have any liability or obligation to the other by virtue of this LOI or otherwise, provided that Seller shall remain obligated to offer the Property for sale to Purchaser in accordance with the Zoning Approvals. Unless a Purchase Agreement in form, scope and substance acceptable to both Buyer and Seller is executed and delivered within ten (10) days after the date of mutual execution hereof, neither Buyer nor Seller shall have any liability or obligation to the other whatsoever.

Athena/Renaissance Reston, LLC

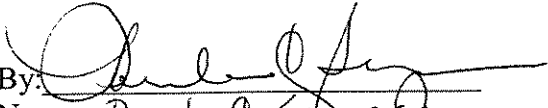
March 26, 2007

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Sincerely,

Buyer:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

By: 
Name: Paula O. Sampson
Title: Director/Assistant Secretary

READ, AGREED AND APPROVED:

SELLER:

ATHENA/RENAISSANCE RESTON, LLC

By: _____
Louis M. Dubin
Chief Executive Officer, Managing Member and President

Athena/Renaissance Reston, LLC

March 26, 2007

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Sincerely,

Buyer:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

By: _____

Name: _____

Title: _____

READ, AGREED AND APPROVED:

SELLER:

ATHENA/RENAISSANCE RESTON, LLC

By:  _____

Louis M. Dublin

Chief Executive Officer, Managing Member and President